

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE OF PURCHASED GAS)
ADJUSTMENT FILING OF COLUMBIA) CASE NO. 94-179-V
GAS OF KENTUCKY, INC.)

ORDER

On November 1, 1994, in Case No. 94-179, the Commission approved certain adjusted rates for Columbia Gas of Kentucky, Inc. ("Columbia") and provided for their further adjustment on a quarterly basis in accordance with Columbia's gas cost adjustment ("GCA") clause.

On May 2, 2000, Columbia filed its GCA to be effective June 1, 2000 to August 31, 2000.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. Columbia's notice proposed revised rates designed to pass on its expected increased wholesale gas costs to its customers. Columbia's proposed expected gas cost ("EGC") for the quarter beginning June 1, 2000 is \$4.6487 per Mcf, an increase of 35.21 cents per Mcf from Columbia's last EGC.

2. Columbia's notice set out a rate for Banking and Balancing Service of 2.06 cents per Mcf.

3. Columbia's notice set out no take-or-pay refund adjustment.

4. Columbia's notice set out no transportation take-or-pay refund adjustment.
5. Columbia's notice set out a current quarter refund adjustment ("RA") in the amount of .5 cent per Mcf to return refunds of \$82,505, including interest, to Columbia's customers. The total RA of 3.24 cents per Mcf reflects previous quarter adjustments, and represents a decrease of .4 cent per Mcf from the total RA last approved for Columbia.
6. Columbia's notice set out its annual actual cost adjustment ("ACA") of 51.80 cents per Mcf to collect under-recovered gas cost from the twelve months ended June 30, 1999.
7. Columbia's notice set out its six-month balancing adjustment ("BA") of .93 cent per Mcf to reconcile variances from previous refund and balancing adjustments.
8. Columbia's notice set out a Special Agency Service refund adjustment of 0 cents per Mcf. This represents no change from the prior rate.
9. The combined effect of the above adjustments is that Columbia's gas cost recovery rate ("GCR") is of \$5.1436 per Mcf, which is 34.81 cents per Mcf more than its previous GCR of \$4.7955 per Mcf.
10. The rate adjustments in the Appendix to this Order are fair, just, and reasonable, in the public interest, and should be approved for gas supplied on and after June 1, 2000.

IT IS THEREFORE ORDERED that:

1. The rates in the Appendix to this Order are fair, just, and reasonable, and are effective for gas supplied on and after June 1, 2000.

2. Within 30 days of the date of this Order, Columbia shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 18th day of May, 2000.

By the Commission

ATTEST:

Deputy W^m H. Fowler
Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 94-179-V DATED MAY 18, 2000

The following rates and charges are prescribed for the customers in the area served by Columbia Gas of Kentucky, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

CURRENTLY EFFECTIVE BILLING RATES

	<u>Base Rate Charge</u>	<u>Gas Cost</u>	<u>Adjustment Demand</u>	<u>Commodity</u>	<u>Total Billing Rate</u>
<u>SCHEDULE GSR</u>					
First 1 Mcf or less per mo.	\$8.10	\$1.4422	\$3.7014		\$13.2436
Over 1 Mcf per mo.	2.1800	1.4422	3.7014		7.3236
<u>RATE SCHEDULE GSO</u>					
Commercial or Industrial					
First 1 Mcf or less per mo.	22.00	1.4422	3.7014		27.1436
Next 49 Mcf per mo.	2.1800	1.4422	3.7014		7.3236
Next 350 Mcf per mo.	2.1149	1.4422	3.7014		7.2585
Next 600 Mcf per mo.	2.0149	1.4422	3.7014		7.1585
Over 1000 Mcf per mo.	1.8409	1.4422	3.7014		6.9845
<u>Delivery Service</u>					
Administrative Charge	65.00				65.00
<u>Standby Service Demand Charge</u>					
Demand Charge Times Daily Firm Vol. (Mcf) In Customer Service Agreement		8.5021			8.5021
<u>Delivery Rate Per Mcf</u>					
First 400 Mcf per mo.	2.1149				2.1149
Next 600 Mcf per mo.	2.0149				2.0149
All Over 1000 Mcf per mo.	1.8409				1.8409

Former IN8 Rate	1.0575			1.0575
Banking and Balancing Service		0.0206		0.0206

RATE SCHEDULE IS

<u>Customer Charge per mo.</u>	\$135.79			\$135.79
First 30,000 Mcf	.6368		3.7014*	4.3382
Over 30,000 Mcf	.3384		3.7014*	4.0398

Standby Service Demand Charge

Demand Charge Times Daily Firm Vol. (Mcf) in Customer Service Agreement		8.5021		8.5021
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Delivery Service

Administrative Charge	65.00			65.00
First 30,000 Mcf	.6368			.6368
Over 30,000 Mcf	.3384			.3384
Banking and Balancing Service		.0206		.0206

RATE SCHEDULE IUS

For All Volumes Delivered Each Month	.3539	1.4422	3.7014	5.4975
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Delivery Service

Administrative Charge	65.00			65.00
Delivery Rate per Mcf	.3539	1.4422		1.7961
Banking and Balancing Service		0.0206		0.0206

Mainline Delivery Service

Administrative Charge	65.00			65.00
Delivery Rate per Mcf	0.1000			0.1000
Banking and Balancing Service		0.0206		0.0206

RATE SCHEDULE IN6 – INDUSTRIAL AND COMMERCIAL

Commodity Charge	1.7363	1.4422	3.7014	6.8799
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RATE SCHEDULE IN7 – SMALL COMMERCIAL

Commodity Charge	.5924	1.4422	3.7014	5.7360
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*IS customers may be subject to the demand gas cost, under the conditions set forth on Sheets 48 and 51 of this tariff.